

Housing and Community Development

38-05-Neighborhood Preservation and Revitalization

Agency 38 - All Funds	Total CAPS	Department of Housing and Community Development
Personnel Services	\$742,737	<p style="text-align: center;">CAPS Percentage of Agency Total</p> <p style="text-align: center;">2.9%</p> <p style="text-align: center;">97.1%</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> ■ Neighborhood Preservation and Revitalization ■ All Other Agency CAPS </div>
Operating Expenses	\$932,537	
Recovered Costs	\$0	
Capital Equipment	\$0	
Other	\$150,000	
Total CAPS Cost:	\$1,825,274	
Federal Revenue	\$551,749	
State Revenue	\$0	
User Fee Revenue	\$0	
Other Revenue	\$1,162,479	
Total Revenue:	\$1,714,228	
Net CAPS Cost: *	\$111,046	
Positions/SYE involved in the delivery of this CAPS	13/13	

* The total Net CAPS Cost of \$111,046 includes an amount of \$119,337 provided from the General Fund and an amount of \$(8,291) from Fund 945, a non-appropriated Fund, representing revenue received for projected investment income.

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The following table identifies the expenditure, revenue and position information from the various Department of Housing and Community Development Funds which comprise this CAPS.

Agency 38 - All Funds	Fund 001	Fund 142	Fund 143
Personnel Services	\$119,337	\$226,341	\$0
Operating Expenses	\$0	\$175,408	\$432,574
Recovered Costs	\$0	\$0	\$0
Capital Equipment	\$0	\$0	\$0
Other	\$0	\$150,000	\$0
Total CAPS Cost:	\$119,337	\$551,749	\$432,574
Federal Revenue	\$0	\$551,749	\$0
State Revenue	\$0	\$0	\$0
User Fee Revenue	\$0	\$0	\$0
Other Revenue	\$0	\$0	\$432,574
Total Revenue:	\$0	\$551,749	\$432,574
Net CAPS Cost:	\$119,337	\$0	\$0
Positions/SYE involved in the delivery of this CAPS	2/2	5/5	0/0

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Agency 38 - All Funds	Fund 940	Fund 945
Personnel Services	\$397,059	\$0
Operating Expenses	\$0	\$324,555
Recovered Costs	\$0	\$0
Capital Equipment	\$0	\$0
Other	\$0	\$0
Total CAPS Cost:	\$397,059	\$324,555
Federal Revenue	\$0	\$0
State Revenue	\$0	\$0
User Fee Revenue	\$0	\$0
Other Revenue	\$397,059	\$332,846
Total Revenue:	\$397,059	\$332,846
Net CAPS Cost:	\$0	\$(8,291)
Positions/SYE involved in the delivery of this CAPS	6/6	0/0

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► CAPS Summary

The Department of Housing and Community Development (HCD) connects with County residents at their roots - home, neighborhood, and community. As Fairfax County developed during the first half of the 20th century, a number of neighborhoods of affordable, modest housing, some suburban in character and others more rural, were developed across the County. As these neighborhoods matured, they began to show evidence of decline and disrepair, both in the housing and the public improvements, most of which were not constructed to contemporary standards. However, these neighborhoods still provide a valuable source of affordable housing, and the Board of Supervisors has made a commitment, through the adoption of numerous neighborhood improvement plans, to preserve and revitalize these communities. HCD promotes residential neighborhood preservation and revitalization through a number of initiatives, involving both the public and the private sectors:

- Home improvement loans and technical assistance for homeowners;
- Abatement of blighted properties; and
- Capital improvements in target neighborhoods.

Both the Home Improvement Loan Program and Home Repair for the Elderly Program provide financial and technical assistance to low- and moderate-income elderly or disabled homeowners for rehabilitation or repair of their property. HCD is also in the process of developing a partnership with financial institutions to improve residential areas adjacent to revitalization districts to revitalize the entire community and bring new vitality to aging areas. The Blight Abatement Program addresses citizen concerns about specific properties in their communities which are abandoned, dilapidated, or otherwise kept in an unsafe state. If efforts to encourage property owners to abate identified blight fail, direct action is taken to demolish or repair the property.

Specific neighborhoods are targeted for preservation and revitalization through two County initiatives: the Community Improvement Program and designated Conservation and Redevelopment Areas. Public improvements in these communities, as well as in other low- and moderate-income communities as projects are identified and funded, complement efforts to encourage private investment through individual home improvements. Improvements may include road, storm drainage, and sanitary sewer improvements, sidewalk installation, and renovation and expansion of community centers. Under both programs, HCD prepares, in cooperation with the community, specific plans for adoption by the Board of Supervisors and, in some cases, the Fairfax County Redevelopment and Housing Authority. HCD also coordinates planned improvements with neighborhood residents, ensures that any Federal or other program funding requirements are met, and in some cases, bills property owners for their share of the improvements.

The Department of Public Works and Environmental Services carries out actual design and construction of major road and storm drainage improvements, while HCD assumes responsibility through the FCRHA for some small-scale improvements and for renovation and expansion of community centers in designated neighborhoods. In all cases, HCD assists throughout the design and construction process through review and approval of plans, contracts, and payments, development of budgets and applications for project funding, compliance monitoring, and responding to resident complaints and concerns (particularly during the design and construction phases). HCD also provides staff support to the Community Improvement Program citizen advisory committee.

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Funding for this program area has historically been budgeted from a variety of sources. The Home Improvement Programs (Home Improvement Loan Program and Home Repair for the Elderly) are funded through County appropriated funds (Fund 143), Community Development Block Grant (CDBG) Funds (Fund 142), repayments and interest earned on outstanding loans (Fund 940), other Federal, State, and bank funds when available, and homeowner contributions. The Blight Abatement Program is funded through County General Fund appropriations (Fund 340), with loan funds for owners of blighted properties available through CDBG (Fund 142).

Neighborhood improvements in Conservation Areas have been funded largely through the Community Development Block Grant (Fund 142), a Federal Section 108 Loan (Fund 340), and the 1989 Neighborhood Bond Referendum (Fund 341). Improvements in Community Improvement Program Areas are funded primarily through Bond Funds budgeted in the Department of Public Works and Environmental Services.

The level of funding available to the County through the CDBG entitlement grant has been relatively stable over the past several years, at \$6-\$6.3 million. However, priorities for the use of CDBG funds have been directed to meet other needs, such as non-profit programs through the Consolidated Community Funding Pool and affordable housing production and preservation, or have been committed to payments on the County's outstanding Section 108 loan. It is likely that an appropriation from the County General Funds or an additional Bond Referendum will be required to complete the remaining improvements planned for adopted Conservation Areas.

Improvements that were originally planned in Conservation Areas have been completed in seven of those areas. Public improvements in five approved Conservation Areas remain to be completed. Currently available funding will be sufficient to complete improvements in three of those areas; additional funding will be required to complete improvements in the remaining two. Improvements in four Community Improvement Program areas remain to be completed, and current funding is sufficient to complete the planned improvements in only two of those areas. In addition, 30 communities have expressed interest in the Community Improvement Program and are on the Program's waiting list, but no funding is available to initiate planning or design for improvements in those neighborhoods.

The number of properties on the Blight Inventory has remained constant at approximately 300. While some blighted properties are abated each year, additional properties are identified and added to the list. Additional staff would be required to achieve a significant increase in the number of properties which can be handled during a fiscal year. Financial and technical assistance through the Home Improvement Programs is ongoing, and the level of that assistance is again dependent on the staffing available to provide it.

As the housing stock developed in the County's initial growth spurt is now aging, the need for rehabilitation has increased. The number of housing units in the County which are older than twenty years has increased 71 percent in the last 10 years, and most, if not all, of these units are in need of some type of rehabilitation or repair. It is anticipated that the need for housing rehabilitation for low and moderate income homeowners will continue to increase. The number of applications for the Home Improvement Loan Program has increased an average of 9 percent over the last five years. However, the capacity of the Home Improvement Loan Program has decreased, with a 61 percent reduction in staff since 1991 due to budget cutbacks, the assignment of staff to new initiatives such as the Blight Abatement Program, and the reassignment of staff to meet other HCD/County/FCRHA housing and revitalization priorities. HCD plans to assess this program to determine if other approaches are feasible, to ensure that available staff is utilized in the most effective and efficient manner, and to leverage other resources that could contribute to this program.

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Funding for this program area is allocated by various methods, generally depending on the funding source. Federal funds through the Community Development Block Grant are allocated through the County's annual Consolidated Plan process, which is the responsibility of the Consolidated Community Funding Advisory Committee. When available, County General Fund monies are allocated for specific projects as approved by the Board. Bond funds are available and committed only after the Board of Supervisors authorizes a bond referendum and the referendum is approved by the voters. Funding for staff support and operating costs is allocated through the regular County budget process.

Funding in support of this program area is arrayed across seven specific funds in the budget of HCD, as follows:

Fund 001: General Fund

In FY 2002, \$119,337 in funding through Fund 001 supports two full-time positions responsible for the Department's functions relative to the Community Improvement Program and the various active Conservation Areas, including review and approval of plans, contracts, and payments; development of budgets and applications for project funding; compliance monitoring; and responding to resident complaints and concerns. These positions also provide staff support to the Community Improvement Program citizen advisory committee.

Fund 142: Community Development Block Grant

In FY 2002, a total of \$551,749 in Community Development Block Grant funds has been appropriated for the Home Improvement Loan Program (\$100,000), the Home Repair for the Elderly Program (5 positions) (\$251,749), a Child Care Center Grant Program (\$50,000) and for improvements to the Southgate Community Center in Reston (\$150,000). In addition, prior-year CDBG funds are available for improvements at the Huntington Community Center, for construction of the Herndon Senior Center, for continued phased improvements in five Conservation Areas, and for payments on the \$9.3 million Federal Section 108 loan approved by the Board of Supervisors for these projects.

Fund 143: Homeowner and Business Loan Programs

No new funding for this program area was appropriated in Fund 143 for FY 2002. A total of \$432,574 in repayments of principal and interest on outstanding home improvement loans has been reallocated to the loan pool and is available for additional loans to eligible homeowners.

Fund 340: Housing Assistance Program

No new funding for this program area was appropriated in Fund 340 for FY 2002. Carryover funds, primarily from the \$9.3 million Section 108 loan for neighborhood improvements and from the FY 2001 Economic Development Initiative - Special Project Grant (CDBG Set-Aside), continue to be available for several neighborhood improvement projects. In addition, carryover funds are also available for loans to owners of blighted properties for repairs to eliminate blighting conditions.

Fund 341: Housing General Obligation Bond Construction

No new funding for this program area was appropriated in Fund 341 for FY 2002. Carryover funds from the 1989 Bond Referendum for neighborhood improvements will be available for planned improvements in four Conservation Areas (Baileys, Fairhaven, Gum Springs, and James Lee).

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Fund 940: FCRHA General Operating

This fund accounts for the business activities of the FCRHA. Revenue received from monitoring and financing fees, development fees, and other sources is reported in this fund and is used to support the programs and activities of the FCRHA. In FY 2002, \$397,059 in funding through Fund 940 supports six full-time positions responsible for the Department's Home Rehabilitation Programs and the Blight Abatement Program. These positions provide a variety of technical assistance to homeowners participating in the program, including determination of homeowners' eligibility for the program, inspections of properties to determine rehabilitation needs; preparation of rehabilitation drawings and specifications and cost estimates; bidding for contracting services, and construction monitoring. In addition, the positions seek and obtain funding for the loan programs, provide community outreach on the programs, and technical support for non-profit organizations, community organizations, and other County agencies.

Fund 945: FCRHA Non-County Appropriated Rehabilitation Loan Program

A total of \$324,555 is budgeted in Fund 945 in FY 2002 for this program area. This funding represents an estimated \$120,000 in below-market loans provided to homeowners from private banks; \$100,000 in contributions made by homeowners toward the cost of improvements; and \$104,555 in repayments of principal and interest on outstanding home improvements loans.

► Method of Service Provision

Services under this program area are provided by regular County employees, as well as through outside consultants and contractors. HCD staff provides direct rehabilitation and technical assistance to Home Improvement Loan clients and to owners of blighted properties. The Home Repair for the Elderly crew of County employees completes minor repairs and improvements to homes of eligible participants. HCD staff manages public improvement and other capital projects in Conservation, Community Improvement, Redevelopment and Revitalization Areas as well as other Federally-assisted capital projects in the County. Improvements are coordinated directly with citizens, consultants, contractors, and other County agencies in preparation of master plans, design, and construction documents, as well as in the acquisition of required easements and dedications and actual construction. HCD administers contracts, designs improvements, directs the work of consultants and contractors, meets directly with citizens, presents proposed plans to communities, supervises design, real property acquisition and construction projects, and ensures that Federal compliance requirements are met and documented.

Normal hours of operation extend from 8:00 a.m. to 4:30 p.m. Monday through Friday. However, HCD staff often meet with individual citizens, neighborhood groups, the Board of Supervisors, the Fairfax County Redevelopment and Housing Authority, and other boards, commissions, or organizations before and after regular business hours or on weekends.

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► Performance/Workload Related Data

Title	FY 1998 Actual	FY 1999 Actual	FY 2000 Actual	FY 2001 Estimate	FY 2002 Estimate
Conservation Areas with planned improvements to be completed	5	5	5	5	5
Community Improvement Program Areas with planned improvements to be completed	7	6	5	4	4
Communities on CIP waiting list	30	30	30	30	30
Home Improvement Loans settled	44	74	33	37	33
Home Repair for the Elderly cases completed	83	83	115	93	90
Properties on Blight Inventory	N/A	296	293	328	295
Properties added to Blight Inventory	N/A	195	77	74	70
Blighted properties abated	N/A	38	45	34	40